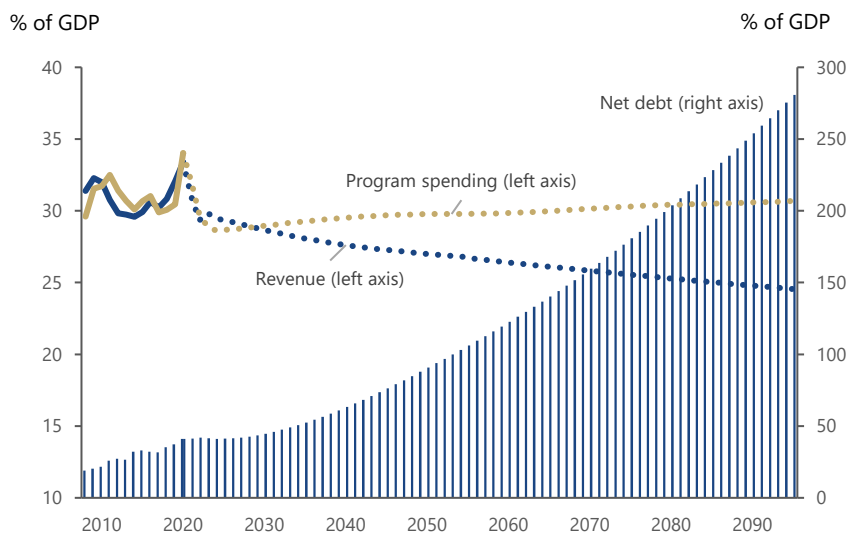


Manitoba

- Manitoba is projected to have one of the highest long-term provincial population growth rates in Canada, and the youngest population outside of the Territories.
- Favourable demographic trends combined with higher-than-average labour productivity growth contribute to Manitoba sustaining one of the highest long-run provincial real GDP growth rates. Our assumptions for provincial labour productivity are based on historical trends from 1982 to 2019.
- Despite its relatively young population, Manitoba spends more on health care than the national average (as a share of the provincial economy). Thus, age-adjusted health care spending is a key long-term fiscal pressure.
- Federal transfers are not projected to keep pace with Manitoba's spending pressures. Because the province is projected to sustain above-average per capita economic growth, PBO projects that the province's federal transfer revenue, including Equalization entitlements, will decline throughout the long term (as a share of the economy).



- PBO projects that Manitoba will maintain a comparatively favourable differential between long-run effective interest rates and economic growth, helping its sustainability prospects.
- Current fiscal policy is not sustainable over the long term.** Permanent tax increases or spending reductions amounting to 3.6 per cent of GDP (\$2.6 billion in current dollars, growing in line with GDP thereafter) would be required to stabilize government net debt (as a share of the economy) in the long term.

		Manitoba			vs. national average		
	2025	2050	2075	2025	2050	2075	
Demographics (%)							
Population growth	1.1	0.9	0.9	0.0	0.3	0.1	
Senior dependency ratio	27.8	32.7	37.5	-3.8	-6.7	-6.4	
Economics (%)							
Real GDP growth	1.7	2.0	2.0	0.3	0.4	0.3	
Employment growth	0.9	0.8	0.8	0.1	0.2	0.1	
Labour productivity growth	0.9	1.2	1.2	0.1	0.1	0.1	
Nominal GDP growth	3.9	4.0	4.0	0.3	0.4	0.3	
Effective interest rate	3.0	3.7	3.7	0.0	0.0	0.0	
Fiscal (% of GDP)							
Revenue	29.3	27.0	25.6	4.6	2.8	1.7	
Program spending	28.7	29.8	30.3	4.6	5.0	5.5	
Primary balance	0.7	-2.8	-4.8	0.0	-2.2	-3.7	
Debt interest charges	2.2	3.6	6.5	0.7	1.8	4.1	
Net debt	41.2	90.8	180.8	10.6	47.5	114.8	